SANTA BARBARA COUNTY AIR POLLUTION CONTROL DISTRICT

RULE 802 - NONATTAINMENT REVIEW

(Adopted 4/17/1997)

A. Applicability

The purpose of Nonattainment Review is to provide for the review of new and modified stationary sources of air pollution and provide mechanisms by which Authorities to Construct such sources may be granted without interfering with the attainment or maintenance of any national primary ambient air quality standard, or preventing reasonable further progress towards the attainment or maintenance of any national primary ambient air quality standard. This Rule shall apply to all new or modified stationary sources which are subject to Rule 801 and which emit or may emit any nonattainment pollutants or their precursors.

B. Definitions

See Rules 102 and 801 for definitions.

C. Requirements - Best Available Control Technology

1. An applicant shall apply Best Available Control Technology to a new or modified stationary source which has a potential to emit any nonattainment pollutant or its precursors which meets or exceeds any emission level specified in Table 1. For the purposes of this Section, "potential to emit" for modified stationary sources means the potential to emit from the project.

Table 1: Nonattainment Pollutant BACT Thresholds

Pollutant	Pounds/day
Any nonattainment pollutant or its precursors except Carbon Monoxide	25
Carbon Monoxide - if designated nonattainment	150

- 2. For any stationary source subject to this Rule, Best Available Control Technology shall be the more stringent of:
 - a. The most effective emission control device, emission limit, or technique which has been achieved in practice for the type of equipment comprising such stationary source; or
 - b. The most stringent limitation contained in any State Implementation Plan; or
 - c. Any other emission control device or technique determined after public hearing to be technologically feasible and cost-effective by the Control Officer.

D. Requirements - Air Quality Impact Analysis

1. Thresholds

Any new or modified stationary source with a net emissions increase of any nonattainment pollutant or its precursor which is equal to or greater than the emission level shown in Table 2 shall submit an application containing information that demonstrates, by Air Quality Impact Analysis, to the satisfaction of the Control Officer, that the emissions will not cause a violation or interfere with the expeditious attainment or maintenance of any national primary ambient air quality standard; or prevent reasonable progress towards the expeditious attainment or maintenance of any national ambient air quality standard. In addition, the Control Officer may require an Air Quality Impact Analysis for any new or modified stationary source that the Control Officer has determined has the potential to cause or contribute to a violation of an air quality standard. This paragraph shall not require an Air Quality Impact Analysis for the assessment of the effects of ozone precursor emissions on ozone.

Table 2 -- Nonattainment Pollutant AQIA Thresholds

Pollutant	Pounds/day
PM_{10}	80
Carbon Monoxide if designated nonattainment	550
All other nonattainment pollutants and precursors	120

2. Major Stationary Sources and Major Modified Stationary Sources: Alternative Sites Analysis

For major stationary sources and major modified stationary sources, the Air Quality Impact Analysis shall include an analysis of alternative sites, sizes, production processes, and environmental control techniques which demonstrate that the benefits of the proposed source significantly outweigh the environmental and social costs imposed as a result of its location, construction, or modification.

E. Requirements - Emission Offsets.

1. New or modified stationary sources with net emissions increases of any nonattainment pollutant or its precursors which is equal to or greater than any emission level shown in Table 3 shall mitigate those net emissions increases through actual emission reductions by reducing emissions from existing stationary or non-stationary sources.

Table 3 -- Nonattainment Pollutant Offset Thresholds

Pollutant	Pounds/day	Tons/year

PM_{10}	80	15
Carbon Monoxide if designated nonattainment	150	25
All other nonattainment pollutants and precursors	55	10

- 2. Emission reductions shall be actual, average quarterly enforceable emission reductions from existing sources sufficient to offset all anticipated quarterly emission increases associated with a new or modified stationary source and which will result in a net air quality benefit.
- 3. Emission reductions shall be sufficient to offset any net emissions increase, result in a net air quality benefit and shall take effect at the time, or before initial operation, of the new or modified source.
- 4. Emission reductions shall be provided at a ratio as specified in Table 4, below.

Table 4 -- Nonattainment Pollutant Offset Ratios

Ratio	Location of ATC Source	Location of Offsets
1.2 to 1	North Zone	North Zone (within 7.5 miles)

Cuyama is part of the Northern Zone, except for trading purposes between Cuyama and the Southern Zone. For the purposes of Table 4, Cuyama shall be considered to be the area north of the crest of the Sierra Madre Mountains.

F. Requirements - Calculations

- 1. The maximum design capacity (potential to emit) at a new stationary source or modification shall be used to determine the maximum hourly, maximum daily, maximum quarterly, and annual maximum emissions from the new source or modification. However, the applicant may agree to federally enforceable limitations on the operation of the new source or modification. If these limitations are included in both Authority to Construct and Permits to Operate issued according to this Regulation, then those limitations shall be used to establish the emission from the new source or modification.
- 2. The emissions from an existing source to be used as an offset, shall be based upon the actual operating conditions of the existing source averaged over the three consecutive years immediately preceding the date of application, or such shorter period as may be applicable in cases where the existing source has not been in operation for three consecutive years. The Control Officer may approve any other time period of at least three years within five years prior to the date of application that is more representative of normal source operation. If violation of Laws, Rules, Regulations, Permit conditions or orders of the District, the Air Resources Board or the Environmental Protection Agency occurred during the period used to determine the operating conditions, an adjustment shall be made to determine the emissions the existing source would have caused without such violations.

G. Requirements - Administration

1. Analysis, Notice and Reporting

Before granting or denying an application for any new or modified stationary source subject to an air quality impact analysis or requiring emission offsets, the Control Officer shall:

- a. Analyze the effect of the stationary source on air quality. Such analysis shall be based on the application of existing federal, state and local control strategies and the requirements of this Regulation. Such analysis shall be completed within 120 days after an application for an Authority to Construct has been deemed complete.
- b. Following completion of the analysis and, before granting approval, the Control Officer shall:
 - 1) Make available for public inspection at the District's office, except as limited by controls on release of confidential information submitted by the applicant, the District's analysis of the effect of the source on air quality and the preliminary decision to grant or deny the Authority to Construct or Permit to Operate.
 - 2) Publish a notice once by advertisement in at least one newspaper of general circulation in the District, stating where the public may inspect the information. The notice shall provide 30 days beginning on the date of publication, for the public to submit comments on the application.
 - 3) Notify, in writing, at the time of public notice, the applicant, Environmental Protection Agency, Air Resources Board, adjoining air pollution control districts of the District's preliminary decision to grant the Authority to Construct or Permit to Operate. The Air Resources Board and Environmental Protection Agency will be provided an analysis support package for the determination made when the source is required to obtain offsets pursuant to this Rule.
 - 4) Consider all comments submitted. If within the 30-day notice period the Control Officer receives a written request from either Environmental Protection Agency or Air Resources Board to defer his decision pending the requesting agency's review of the application, the Control Officer shall defer any decision for a period of 30 days from the date of such request. Within the applicable time period specified in Rule 208, the Control Officer shall take final action on the application after considering all written comments.

2. Conditional Requirements for Authority to Construct

The Control Officer shall, as a condition for the issuance of an Authority to Construct a new stationary source or modification and with the prior written consent of the owner or operator of any source which provides offsets:

- a. Require that the new source or modification and any sources which provide offsets be operated in the manner assumed in making the analysis. The Permit shall, if applicable, include an emissions limitation which corresponds with the application of Best Available Control Technology or innovative control technology.
- b. Modify, or require modification of, the Authority to Construct and Permit to Operate for any source used to provide offsets to insure that emissions reductions at that source which provide offsets will be enforceable and maintained throughout the operation of the new or modified source which is the beneficiary of the offsets.
- c. Permit any federally enforceable methods, other than those described in subsection b) which the Control Officer is satisfied, will assure that all required offsets are achieved, and meet the requirements of Regulation 804 (Emission Offsets).

3. Issuance of Permit to Operate

- a. The Control Officer shall issue a Permit to Operate if it is determined that:
 - 1) The new or modified stationary source will operate without emitting pollutants in violation of any applicable state, federal or local emission limitation or these Rules and Regulations; and
 - 2) The emissions of any pollutants from the new or modified stationary source are less than or equal to the emissions used by the Control Officer in granting an Authority to Construct; and
 - 3) The offsets required as a condition of the Authority to Construct will commence at the time or prior to initial operations of the new source or modification, will be maintained throughout the operation of the new or modified source, and are federally enforceable. In the case of a new or modified source which will be, in whole or in part, a replacement for an existing source on the same property, the Control Officer may allow a maximum of ninety (90) days as a start-up period for simultaneous operation of the existing source and the new source or replacement; and
 - 4) All conditions specified in the Authority to Construct have been or will likely be complied with by any dates specified.

4. Denial of Authority to Construct

The Control Officer shall deny an Authority to Construct for any new stationary source or modification, or any portion thereof unless the new source or modification, or applicable portion thereof, complies with the provisions of this Rule and all other applicable District Rules and Regulations.

5. State Implementation Plan

The Control Officer shall issue an Authority to Construct for a major new stationary

source or major modification to a stationary source, which is subject to this Rule, only if all District Regulations contained in the State Implementation Plan submitted to the EPA are being carried out in accordance with that Plan.